GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:176
ANSWERED ON:13.12.2004
IMPACT OF LIBERALISED IMPORTS OF AGRICULTURAL PRODUCTS
Boianapalli Shri Vinod Kumar

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has conducted any study on the impact of liberalized imports of agricultural products on Indian agriculture sector;

(b) if so, the details thereof;

(c) the steps the Government proposes to take to safeguard the interests of Indian farmers; and

(d) the steps proposed to be taken to increase the competitiveness of Indian farmers, so as to face the challenges of agricultural imports effectively?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 176 DUE FOR REPLY ON 13TH DECEMBER, 2004.

(a)&(b): There has been no comprehensive study on the impact of liberalized imports of agricultural products on Indian Agriculture. However, some quick sectoral studies have been conducted to analyse the likely impact of liberalized imports on edible oils. The studies suggest that formulation of policies in respect of calibration of import duties on edible oils, application of new technology to increase production and productivity in oil sector and provision of marketing support to oilseed farmers should be linked to the Indian proposals in the WTO Agriculture negotiations. Recently the Government has brought out a study entitled `State of the Indian Farmer : A Millennium Study`, as a part of which `Globalisation and Agricultural Liberalisation in India` has also been studied. Based on various measures of import and export competitiveness, the study concludes that most of the important agricultural commodities in India are competitive and that India can withstand competition from abroad with respect to the import of most of the crops, at the current levels of tariffs.

(c)&(d): In order to ensure that the farmers of the country are not put to any hardship, the Government has put in place a suitable mechanism for monitoring the import of sensitive items and is committed to providing adequate protection to the domestic producers by resorting to various WTO compatible measures which include appropriate calibration of applied tariffs within the bound levels and safeguard action under certain specified circumstances.

As a sequel to these measures, import duties on a number of items including edible oils (both crude and refined), tea, coffee, copra and coconut, wheat, rice, maize, edible oils, pulses, spices, arecanut and apple have been increased in the last 5 years. Further, the Government is also implementing a number of development programmes to increase the competitiveness of the Indian farmer. These include introduction of improved farming technology, improved availability of inputs including water, credit and fertilizer and price support through the Minimum Support Price (MSP) scheme and Market Intervention Scheme (MIS).